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Bankers Trust New York Corporation Annual Report 1968







The cover of the report pictures the 280 Park Avenue headquarters of Bankers Trust New York Corporation. The building at the left is a recently completed 40-story addition to the three-building complex, a large part of which is occupied by Bankers Trust Company.

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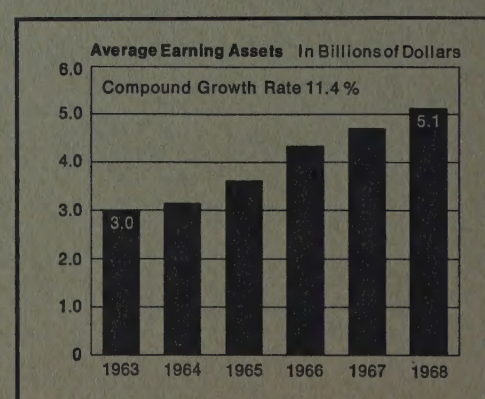
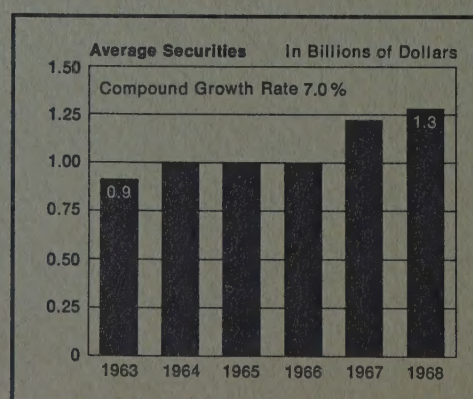
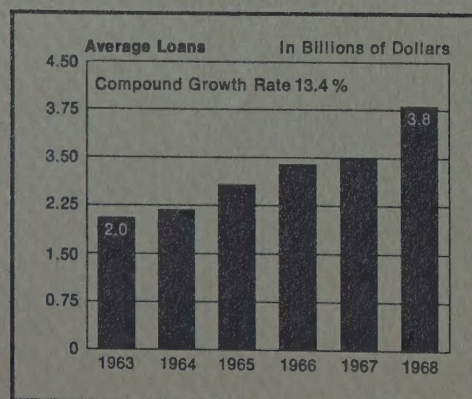
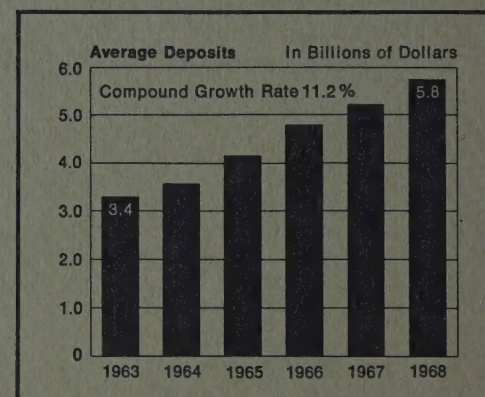
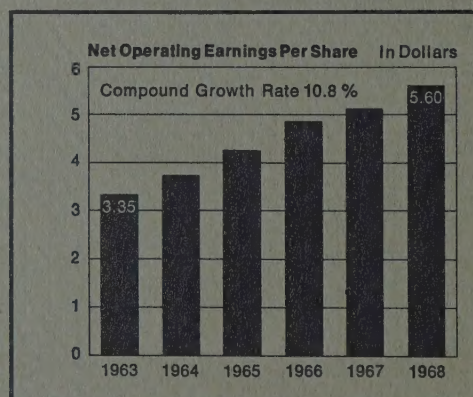
Annual Meeting of Shareholders:  
The Annual Meeting of Bankers Trust  
New York Corporation shareholders will be  
held at the Bankers Trust Building, 16 Wall  
Street, New York City, at 2 p.m. Tuesday,  
March 18, 1969. A proxy will be mailed to  
shareholders on or about February 17, 1969.



Totals for Year (in thousands)	1968	1967	Change
Operating Revenue	\$341,871	\$285,541	+\$56,330
Operating Expense	254,511	209,437	+ 45,074
Income Taxes on Operating Earnings	32,381	26,371	+ 6,010
Net Operating Earnings	54,979	49,733	+ 5,246
Dividends Declared	26,004	25,122	+ 882
<b>Per Share</b>			
Operating Earnings Before Income Taxes	\$ 8.90	\$ 7.77	+\$ 1.13
Income Taxes on Operating Earnings	3.30	2.69	+ .61
Net Operating Earnings	5.60	5.08	+ .52
Annual Dividend Rate	2.84	2.60	+ .24
Book Value	42.54	40.81	+ 1.73
<b>Average Balances (in millions)</b>			
Deposits	\$ 5,825	\$ 5,285	+\$ 540
Loans (Net)	3,839	3,484	+ 355
Securities	1,261	1,180	+ 81
<b>End of Year</b>			
Shareholders	27,219	28,024	- 805
Number of Shares Outstanding	9,865,291	9,801,464	+ 63,827
Staff	10,071	8,755	+ 1,316
Banking Offices	121	115	+ 6
Stockholders' Equity (in thousands)	\$419,701	\$399,989	+\$19,712

\*Reflects the figures of merged banks for both years

## Financial Review Charts





## Financial Review

Bankers Trust New York Corporation had its best year ever in 1968. Earnings reached a record \$55 million, compared with \$49.7 million in 1967, an increase of 10.5 percent. Earnings per share rose to \$5.60 from \$5.08. Total assets climbed to a record \$8 billion, and deposits and loans also reached new highs.

Perhaps as meaningful as our performance during 1968 would be an examination of our progress over the past five years. During this period, the emergence of the certificate of deposit has made commercial banking a truly competitive factor in the savings and time deposit market. Six years of historical data are presented on page 26. This information makes possible a review of trends and compound growth rates over the most recent five years. A study of the growth of Bankers Trust New York Corporation over this period reveals that we have been able to employ more costly time deposits to achieve accelerated growth of net operating earnings. Our use of sophisticated liability and asset management techniques has enabled us to take profitable advantage of increased deposits to expand earning assets and achieve earnings growth. The five-year compound rates of growth shown on the preceding page illustrate the growth of selected items of particular significance.

It is noteworthy that our average earning assets—that is, loans and securities combined—have grown at an average annual rate of 11 percent during the 1963-1968 period while the growth in gross national product (measured in current dollars) has averaged only about eight percent. Perhaps even more revealing as far as the growth of Bankers Trust New York Corporation is concerned, however, is our earnings record: the average rate of growth of our net operating earnings per share over the past five years has been approximately 11 percent, and in no year during that period did a decline

take place. To put this growth rate into perspective, in the same five-year span, the earnings of the Dow Jones Industrial Average grew at only seven percent per year, while earnings of the Standard & Poor 500 Composite achieved a growth rate of only eight percent. Our goal over the next five years is to continue to achieve above-average earnings growth.

**Operating Revenue**—Total operating revenue for 1968 was \$341.9 million, a 19.7 percent increase over 1967 revenue of \$285.5 million. Contributing to the rise were increases in income from loans, trust business and securities. Interest and fees on loans totaled \$235.7 million, an increase of 22.1 percent.

The Fiduciary Departments continued to be substantial contributors to overall earnings. Fees from trust and custodian operations totaled \$33.9 million in 1968, an increase of 10.5 percent when compared with income of \$30.7 million in 1967.

Trading volume and transactions in the Bond Departments grew to new peak levels. The erratic market action throughout the year and the severe price decline in the latter part of the year were instrumental in curtailing trading profits. Higher interest rates which prevailed brought total income to a record \$10.2 million, or 9.7 percent above the 1967 figure of \$9.3 million.

**Operating Expense**—Increased interest paid on deposits drove operating expenses to \$254.5 million in 1968, an increase of 21.5 percent over 1967 expenses of \$209.4 million. The amount of interest paid on deposits was \$111.3 million in 1968, compared with \$94.8 million in 1967, an increase of 17.4 percent.

Increased size of staff contributed to higher salary costs, up 22.2 percent to \$66 million. Expenses for social security, profit sharing and other employee benefits increased 11 percent to \$10.3 million.

**Dividends**—The Board of Directors, at its

December, 1968, meeting, raised the quarterly dividend to 71 cents per share, an increase of 9.2 percent over the 65 cents previously paid. The annual dividend rate is now \$2.84, compared with \$2.60.

**Stockholders' Equity**—An increase of nearly \$20 million brought stockholders' equity to \$419.7 million in 1968. Book value gained \$1.73 per share and increased to \$42.54 on December 31, 1968, compared with \$40.81 a year earlier. The return on stockholders' equity, measured as the percent of net operating earnings to stockholders' equity, improved to 13.4 percent from 12.7 percent in 1967.

**Deposits**—Increases in both demand and time deposits raised average deposit balances during 1968 to \$5.8 billion, an increase of 10.2 percent. Year-end deposits reached \$7.1 billion. Average demand deposits increased by \$294 million, or 10 percent, to \$3.2 billion; time deposits, also on an average basis, increased \$246 million, or 10.5 percent, to \$2.6 billion.

**Loans**—The average amount of loans outstanding during 1968 was \$3.8 billion, an increase of \$355 million, or 10.2 percent, and the year-end total was \$4.3 billion. The loan-deposit ratio averaged 65.9 percent in 1968, unchanged from the previous year.

**Securities**—Consolidated holdings of our member banks averaged \$1.3 billion in 1968, an increase of 6.8 percent. Rates of return on United States Government and State and Municipal issues moved substantially upward, however, commensurate with the higher yields that were characteristic of the market.

The Investment Account returned 7.19 percent, on a fully taxable basis, compared with 6.31 in 1967. U.S. Government securities yielded 6.10 percent, up from 5.62 last year, and State and Municipal issues, on a fully taxable basis, returned 7.65 percent, compared with 6.63 in 1967.

Maturities of Investment Securities (As a percentage of total holdings)	End of						Total (in millions)	Average Life
		Within 1 yr.	1-2 Years	2-5 Years	5-10 Years	Over 10 Yrs.		
U. S. Government Obligations	1968	52.4%	13.4%	29.8%	4.1%	.3%	\$359	1 Yr.-8½ Mos.
	1967	64.2	1.2	27.2	7.2	.2	419	1 Yr.-7 Mos.
State and Municipal Obligations	1968	29.1	9.5	6.5	11.2	43.7	724	10 Yrs.-7½ Mos.
	1967	31.8	8.9	11.0	13.3	35.0	757	9 Yrs.-1 Mo.



## To Our Shareholders and to the Customers and Employees of Our Member Banks:

The year 1968 was a successful one for Bankers Trust New York Corporation. New records were achieved in earnings, deposits, assets and loans.

This good performance reflects, in part, developments in the American economy. Continuing expansion of business activity and rising prices resulted in an active demand for loans. The expansionary credit policy followed by the Federal Reserve contributed to a rapid growth of deposits. In addition, interest rates reached record heights.

Obviously, we have no control over the course of the economy. Our objective is to operate effectively in the prevailing economic environment. In order to attain this goal, we continue to give forceful attention to such matters as the development of new services to meet the widening needs of both individual and corporate customers and the continuing development and maintenance of a thoroughly professional and experienced staff.

In May of 1968 Bankers Trust Company acquired Coleman & Company, one of the most highly respected and strongly managed factoring organizations in the country. Now a fully integrated division of the bank, Coleman Factors has already increased its volume of business substantially and is making an increasing contribution to income.

In December, Bankers Trust Company completed its long anticipated merger with the Northern Westchester National Bank. That bank, headquartered in Chappaqua, brought Bankers Trust widely into Westchester County by adding eight banking offices to a domestic system that now totals eighty-five offices.

Meanwhile, earlier in the year, Bankers Trust New York Corporation's member bank in Poughkeepsie, The Fallkill National Bank and Trust Company, merged with The State of New York National Bank, Kingston. From this

merger came a new bank, The State of New York National Bank, which, at year-end, had some \$57 million in deposits and eight banking offices serving the mid-Hudson Valley.

As the year ended, Bankers Trust New York Corporation had applications pending with the regulatory authorities for permission to acquire the Bank of Jamestown, a \$77 million bank with seven offices in Chautauqua County, and The Peoples National Bank of Long Island, Patchogue, a \$63 million institution which has nine offices in Suffolk County. Late in the year, Bankers Trust announced plans to offer the BankAmericard in the Greater New York area and to lead a group of bank licensees in New York, Connecticut and New Jersey. We had two primary reasons for selecting the nine year old BankAmericard: it is a solidly established credit card and has wide national and international acceptance; as the sole manager of a single card in New York City, we see an advantageous flexibility in our operation as against the combined management of the joint card that most of our competitors here in New York propose to use.

We begin this new service with full knowledge that the related expenses will be greater than their contribution to profits in 1969. The decision to proceed was made with confidence that the eventual contribution to profits will make the initial expenses well worthwhile.

The economic environment in prospect will, hopefully, be somewhat different from that of recent years. For far too long, the American economy has been plagued by rising costs and prices and by spreading inflationary expectations. At long last, there is hope that progress can be made in coping with this malady. The enactment of the surtax in mid-1968 has brought the Federal Budget into substantial balance. The task now is to assign priorities to, and to

impose strict restraint upon, spending programs, and to keep the surtax in effect until there is sign of progress on the inflation front.

The Federal Reserve has evidenced its concern with the inflation problem and has expressed its determination to do something about it. This will require a retreat from the highly expansionary credit policy followed in the latter half of 1968. Such action is not without some risk of adverse impact upon the credit markets but there is no alternative if the fight against inflation is to have hope of success. A premature return to a highly expansionary credit policy at the first sign of a slowing down in the rate of growth of the economy would imperil the success of an effort to bring inflation under control.

The inflationary forces are deeply engrained in the economy. The upward course of costs and prices cannot be ended either rapidly or painlessly. The effort must be made, however, if a sound basis for the future growth of the American economy is to be established. The year's results are a testimony to the performance of our people, and our sincere thanks go to them all. The success of the corporation depends on the efficiency and loyalty of its staff. Under present conditions, recruitment and training are more challenging problems than ever. It is both desirable and necessary for us to recruit from a wide band of the social and educational structures. Therefore, we must offer training programs which will supplement skills at all levels. The objective is to make sure that everyone can move ahead at a pace set by his own performance. We are committed to give this area our most careful attention.

Some of our more recent undertakings and accomplishments are detailed in this report. There was much more continuing progress, not mentioned here, which contributed importantly to our growth.

*William H. Moore*

Chairman

*Lewis A. Lapham*

President







Involvement with the community he serves is an important part of the day-to-day activities of John W. Kelly, president of The State of New York National Bank. Mr. Kelly, left, visits an art class at State University College, New Paltz, New York with Dr. John J. Neumaier, center, president of the college and Robert W. McDowell, business manager of the school.

## TheYear: People and Places



The number of our offices increased by nearly 20 percent during 1968, from 102 to 121. The growth was achieved through mergers involving two of our banks and by the opening of new offices.

**Mergers**—Early in the year our member bank in Poughkeepsie, The Fallkill National Bank and Trust Company, merged with The State of New York National Bank, Kingston. The result was a new bank—The State of New York National Bank—which at year-end had deposits of \$56.7 million and eight banking offices serving the mid-Hudson Valley.

In December of 1968 Bankers Trust Company expanded to Westchester County through a merger with the Northern Westchester National Bank. The merger added eight offices to the Bankers Trust branch system, raising its number of domestic offices to 85.

Continued growth as well as representation in new areas of the state is anticipated in 1969. Bankers Trust New York Corporation has applied to regulatory authorities for permission to acquire the Bank of Jamestown, in the western part of the state, and The Peoples National Bank, Patchogue, in the state's eastern-most county. We are hopeful that the successful completion of these plans and the continuing expansion of Bankers Trust Company, First Trust Company of Albany, The First State Bank of Rockland County and The State of New York National Bank will combine to bring us closer to our goal of providing banking services to all areas of the state.

**Management**—Wallis B. Dunckel, president of Bankers Trust New York

Edgar A. Sandman, right, president of the First Trust Company of Albany, inspects construction progress at the Albany South Mall Project with General Cortlandt Van Rensselaer Schuyler, New York State commissioner of General Services. First Trust and Bankers Trust Company played major roles in \$140 million of financing for the South Mall, which will house State offices.











Jay D. Northrup, right, president of The First State Bank of Rockland County, talks about the new filtration plant of the Spring Valley Water Company with Julius Von Scheidt, vice president and treasurer of the firm. First State helped to finance construction of the plant.

## The Year: People and Places

Corporation since its formation in 1966, retired in October of 1968 and was succeeded by Lewis A. Lapham, vice chairman of Bankers Trust Company. Mr. Dunckel was president of Bankers Trust Company from 1960 until his retirement in 1966. His service to the bank and the corporation, which totals 46 years, will continue through his membership on the Board of Directors of Bankers Trust New York Corporation.

Mr. Lapham became associated with Bankers Trust Company in 1950, when he was elected a director and a member of the Executive Committee. He joined the bank in 1959 and was elected to his present post in 1966.

Young and experienced men also gained increased responsibility with each of our member banks during 1968. Three promotions elevated men to the presidency of their banks: Edgar A. Sandman as president of First Trust Company of Albany, Jay D. Northrup as president of The First State Bank of Rockland County and John W. Kelly as president of The State of New York National Bank.

Mr. Sandman joined First Trust in 1946 and was elected executive vice president in 1966. He was graduated from Union College and Albany Law School. He succeeds Edward S. Rooney, who continues as chairman of the bank.

Mr. Northrup joined First State in 1952 and was elected executive vice president



Alfred Brittain III, left, president of Bankers Trust Company, and Donald W. Nyrop, president of Northwest Airlines, tour Northwest's main base at Minneapolis St. Paul International Airport. Bankers Trust Company is playing an increasingly more important role in meeting the financial needs of the vital airlines industry.



The Thom McAn shoe stores, including this one in New Rochelle, N.Y., will be among the retail stores honoring BankAmericard. Joseph C. Cantwell, left, vice president in charge of the Credit Card Division of Bankers Trust Company, discusses the advantages of the card for retailers and consumers with Richard H. McCarthy, vice president and regional sales manager of Thom McAn.

## The Year: People and Places

in 1959. A graduate of St. Lawrence University, he succeeds Charles W. Hawkins, who is chairman of the bank.

A graduate of the University of Connecticut and the Columbia Graduate School of Business, Mr. Kelly had been an officer of Bankers Trust Company before joining The Fallkill National Bank and Trust Company in 1966. He was named executive vice president of The State of New York National Bank at the time of the merger. He succeeds the late A. Raymond Atkins.

The average age of the four presidents of our member banks, including Alfred Brittain III, president of Bankers Trust Company, is 46, and their years of banking experience total more than 80.

The Boards of Directors of both Bankers Trust Company and Bankers Trust New York Corporation gained a member, Francis C. Rooney, Jr., in June of 1968. He is president of Melville Shoe Corporation. In January of 1969, C. Wadsworth Farnum, senior vice president, Fiduciary, of Bankers Trust Company, was elected a director of the bank.

The deaths of A. Raymond Atkins and Ralph W. Hemminger during 1968 were great losses. Mr. Atkins was president and a director of The State of New York National Bank. Mr. Hemminger, senior vice president in charge of the Employee Benefit Department of Bankers Trust Company, helped to organize its Pension Division more than 30 years ago.

## The Year: Services

The growth of our member banks in the years ahead will be influenced importantly by developments in 1968. Among the service-oriented highlights of the year were the establishment of divisions for credit card and factoring operations, the expansion of overseas activities, the continuing development of investment techniques that are responsive to today's needs and the outstanding salesmanship record achieved by our employees.

**BankAmericard**—The decision to offer the BankAmericard was perhaps the most dramatic event of the year. The credit card is the second phase of our plan to provide a complete package of financial services for our customers, the first being the introduction of The Bankers Card in 1967. Other features will be added in the future. The card will be managed by a division of Bankers Trust Company and will be offered by each of our member banks. It will be distributed to our customers in the spring of 1969. In addition to introducing the BankAmericard in the New York market, Bankers Trust Company will license the card to a regional network of banks in New York, New Jersey and Connecticut.

During its nine years of operation, the BankAmericard system has grown to include 18 million card holders, 400,000 outlets and 1,900 banks. The card is also honored in Canada, Great Britain and

Japan. Bankers Trust Company expects to add more than one million card holders during its first year of participation.

BankAmericard is widely accepted for charging travel and entertainment expenses, retail store and service station purchases, airlines tickets and hotel accommodations. The card also provides users with cash advances in any office of a participating bank. Current holders of The Bankers Card will have check guarantee privileges, which will also be available to other BankAmericard holders.

**Coleman Factors**—Another new service—factoring—was added to those offered by our member banks when Bankers Trust Company acquired Coleman & Company in mid-1968. During eight months as a division of Bankers Trust Company, Coleman Factors has increased its volume of accounts receivable purchased by 20 percent. This growth has been made possible by the increased financial resources now available to the factoring operation and by the expanded marketing capabilities offered by the bank's Metropolitan, National and International Banking Departments. These departments are now able to offer their customers a new type of credit, one which involves the outright purchase of accounts receivable. The new service complements the accounts receivable lending which we have performed for a number of years.











John A. Coleman, left, vice president in charge of the Coleman Factors Division of Bankers Trust Company, and James L. Wollner, president of Beconta, Inc., talk about the skiing equipment which Beconta imports and sells. The firm is a customer of both Coleman Factors and the Wall Street Office of the bank.

## The Year: Services

**International**—Assistance in financing the development of foreign countries, equity participation in two overseas companies and completion of plans to open a branch office and two representative offices were among our international activities during 1968.

Our role in arranging for Austria \$170 million of medium-term loans in 1967 led to three similar Eurodollar credits in 1968. Following the loan to Austria, which was the largest Eurodollar medium-term financing ever negotiated, Bankers Trust brought together groups of American and European banks to make loans of \$60 million to Spain, \$10 million to Ivory Coast and \$25 million to Greece. The loan to Ivory Coast was the first Eurodollar credit to a developing African nation.

Another first was recorded when Bankers Trust Company organized and took a 75 percent interest in Data Systems Management Corporation, the first computer leasing company in Australia.

Bankers Trust Company also made an investment in Unitech, Ltd., London. The firm has interests in companies in the electronics, plastics and data handling equipment fields and provides managerial and marketing services. The investment reflects the bank's interest in aggressively managed companies in industries that have outstanding potential for growth.

The investments in Data Systems Management Corporation and Unitech were made through Bankers International Corporation, Bankers Trust

Company's wholly-owned subsidiary for overseas investment. Other BIC investments are in financial institutions in 18 countries throughout the world. They include Deutsche Unionbank, Frankfurt; Banque du Benelux, Antwerp; Rodo International Ltd., London; Bancom Development Corporation, Manila; China Securities Investment Corporation, Taipei and Bullrich S.A. de Inversiones, Buenos Aires.

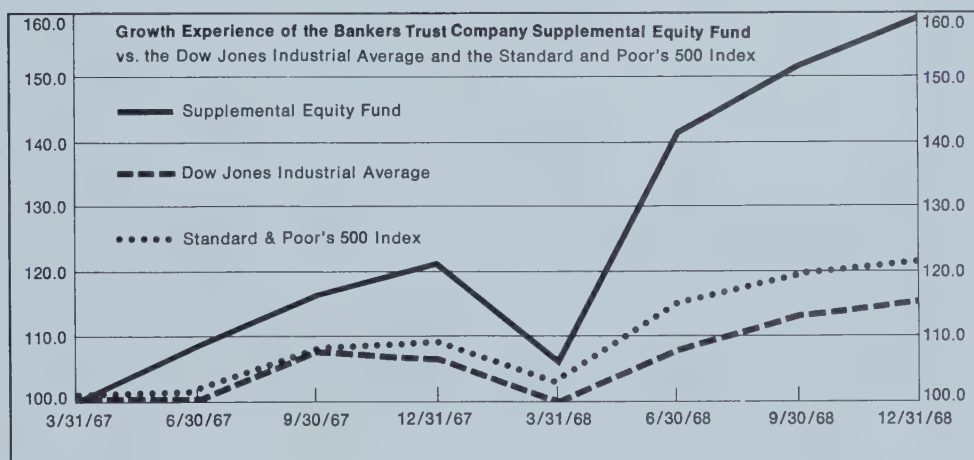
Each of the overseas affiliates operated profitably and expanded its scope of service during 1968. Deutsche Unionbank, for instance, opened a branch office in Dusseldorf. Rodo International Ltd. was appointed European agent for Associates for Investment N.V., a Bermuda-based open-end investment company for which Bankers Trust Company is investment advisor and custodian. China Securities Investment Corporation has applied for trust powers so that it may perform

trust services and expand its investment banking activities.

Plans for 1969 call for the establishment in January of a branch office in Paris and representative offices in Caracas, Venezuela and Sao Paulo, Brazil.

**Trust Investment**—As a prime innovator in the trust field, Bankers Trust Company maintains a continuing search for new and more efficient ways of managing funds for which it has investment responsibility. This effort has led to the development of more flexible and diversified plans, their more efficient administration, and to improved avenues to capital appreciation.

In order to manage money as effectively as possible, the bank has one of the country's largest investment research divisions as well as such specialized groups as economists and management scientists. Through this interchange a variety of new investment ideas are









Mrs. Angela Tortorello, a computation clerk in the Installment Lending and Service Division of Bankers Trust Company, contributed importantly to the success of The Big D, an employee campaign which resulted in \$460 million of new business. Staff members of each of our member banks, including employees—like Mrs. Tortorello—who do not come in contact with the public, helped to make the campaign a success.

## The Year: Services

being continually generated. Of particular significance is a recent study by the management science staff of the problem of capital appreciation at various risk levels. A comparison was made of the performance of nearly 1,000 stocks, and it was demonstrated that superior growth could be achieved under certain conditions in companies of smaller capitalization without incurring an excessive risk factor.

Based on these findings, the Supplemental Equity Fund was started in early 1967 as a means of maximizing the investment of the bank's employee benefit trusts throughout the area of companies with smaller capitalization, which include many dynamically growing organizations. Investments for the portfolio are made on a selective basis, and in this regard the Fund differs significantly from special equity funds in which the emphasis is placed on maximizing potential results regardless of the degree of risk which is accepted. Equally important, the Supplemental Equity Fund is integral to the overall pension investment operation, providing meaningful supplement to regular investment selections.

The year 1968 again demonstrated superior investment performance by the Supplemental Equity Fund. During the twelve month period, the Fund achieved an overall investment return of 32 percent, outperforming all but a few of the more than 200 mutual funds analyzed by a leading advisory service. In recent



Colin G. Clive, right, assistant vice president, International, of Bankers Trust Company, helped to negotiate the bank's investment in Unitech, Ltd., London. Peter A. M. Curry is a director of Unitech, which controls a variety of fast-growing electronics companies and service organizations.



A computer leasing service became available in Australia for the first time when Bankers Trust Company formed Data Systems Management Corporation. Asa B. Davis, III, assistant vice president, international, who represents the bank in Australia, helped to organize the company.

## The Year: Services



months the percentage of participation among individual trusts has continued to grow, and recently the Fund reached \$500 million in aggregate value. Including dividends, the value of units in the fund, which was 100 at inception, was 159 at the end of 1968.

The significance of the Supplemental Equity Fund lies in the fact that it is providing the bank's extensive pension trust holdings with a meaningful new avenue to capital appreciation. In addition, it demonstrates that banks can continue to expand their investment horizons while maintaining traditionally rigorous investment criteria.

The management science study also led to successful use in the Bankers Trust Company Investment Advisory accounts of many names responsible for the Supplemental Equity Fund's superior performance.

**Big D Campaign**—One of the most noteworthy events of 1968 was the outstanding performance of our employees during our new business campaign. The promotion, known as The Big D Campaign, resulted in \$460 million in new business, the highest total achieved in an employee incentive campaign by any financial institution. The importance of the campaign, however, goes beyond its success measured in dollars. More gratifying as we look to the future is the spirit and loyalty demonstrated during the campaign by the staff of each of our member banks.

Clarence J. Caputo, Jr., of the New York American Savings Bank, is shown in the office of the New York Technical Institute and its Graduate Development Fund. The Graduate Development Fund provides for the education of the bank's employees in financial and technical areas, as well as financial and legal advice.







Employees of Bankers Trust Company who participate in the Hiring and Education Program are counseled by Earl Garris, Jr., assistant treasurer, Personnel Relations. Bankers Trust helped to organize the program, which involves 34 banks pledged to provide jobs, education and training for disadvantaged persons. The program is administered by the American Institute of Banking.

## The Year and Beyond

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Our efforts to identify and participate in activities which effectively use our resources to help alleviate urban problems moved forward during 1968. These efforts included both internal measures and participation in programs administered elsewhere. They involved dollars, people and jobs. They were sensitive to our own continuing staff needs.

Our focus is in New York City, where the need is so great. Here we are assisting the New York Urban Coalition, especially in its efforts to stimulate economic growth in disadvantaged areas. We played a leading role in establishing at the American Institute of Banking a Hiring and Education Program for men and women handicapped by cultural and educational deficiencies. The JOBS program of the National Council of Businessmen and the economic development work of the Interracial Council for Business Opportunity are typical of the other programs to which we are committed. Our recruiting efforts have been expanded to include employment interviews at community centers in various areas of the city, a new mid-town employment office

and visits to more than 50 college campuses, including nine predominantly Negro schools.

Our principal commitment to the economic development of inner city poverty areas has been through the New York Urban Coalition and its Economic Development Task Force. We have assisted importantly in the formation and development of the Coalition and in the work of the Task Force.

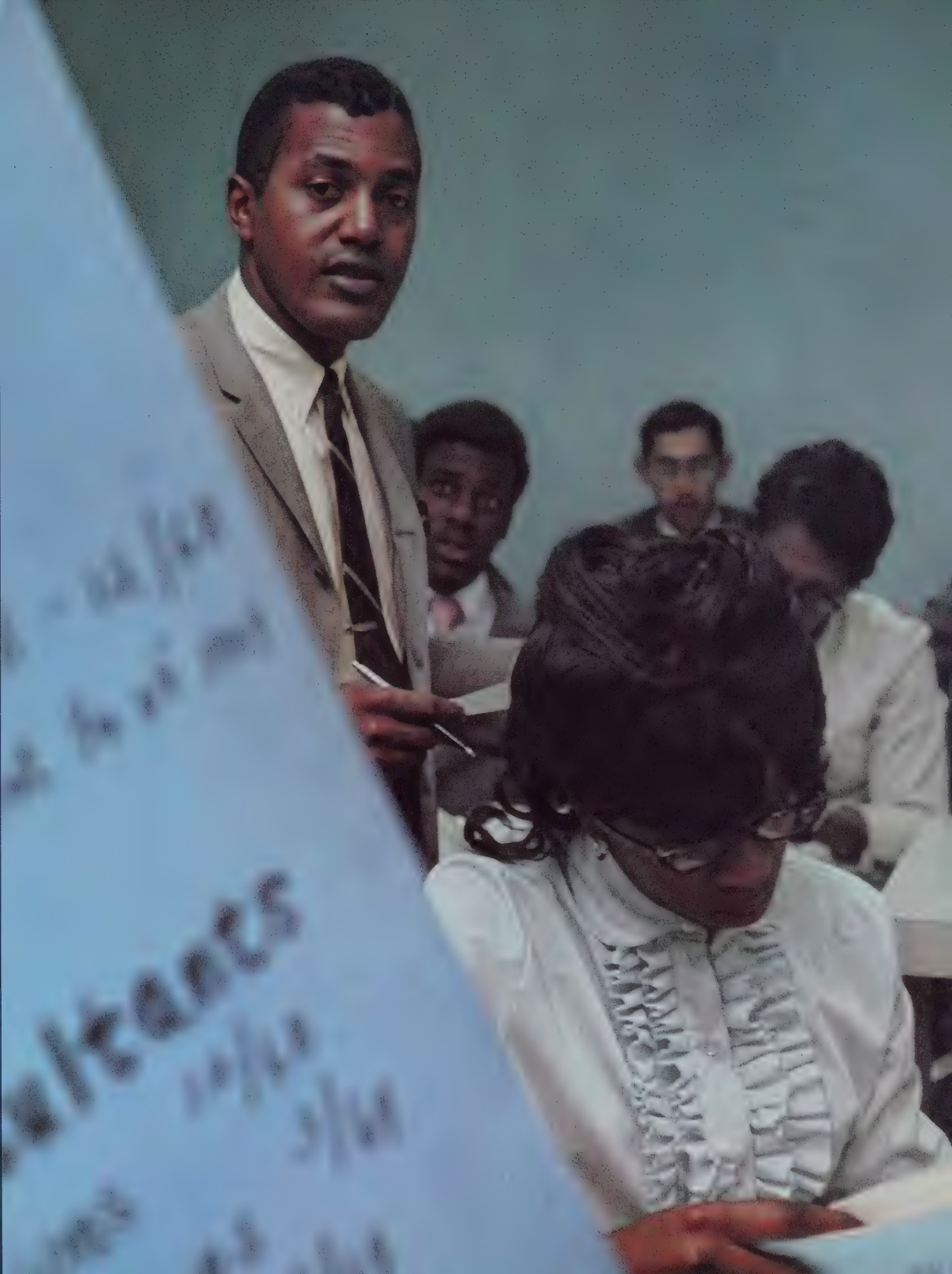
The Task Force has established two economic development corporations to provide venture capital and management assistance to minority group businessmen. One corporation is supplying seed money for new ventures as well as additional capital for existing companies that want to expand. The other corporation is making available managerial and technical assistance.

In considering how our resources can be used most effectively to employ the so-called "hard-core unemployed," we have again elected to be part of a broad and coordinated effort. In July of 1968 Bankers Trust Company helped to bring together 34 banks to establish a

government-financed Hiring and Education Program. The group of banks agreed to provide more than 700 jobs during the first year. During the first six months, more than 500 men and women were enrolled in the program, more than 100 of them as employees of Bankers Trust Company.

The program combines remedial education with on-the-job training. Its intent is to qualify persons for jobs from which they can be promoted rather than place them in slots with little prospect for more than minimum-level compensation. Participants, salaried employees from the outset, are full-time students at the American Institute of Banking during their first six weeks. The curriculum includes mathematics, reading comprehension, science, business conduct, work standards and personal appearance among its 11 subjects. After the initial period, the participants are assigned to clerical positions throughout the bank, but return to the school for nine hours of instruction each week for up to 44 weeks. This time is spent preparing for examinations leading to a high school diploma and in overall development.







Assets	December 31	1968	1967	Change
Cash and Due from Banks		\$1,913,286,000	\$1,813,447,000	+\$ 99,839,000
U. S. Government Obligations		487,597,000	484,703,000	+ 2,894,000
State and Municipal Obligations		848,262,000	804,437,000	+ 43,825,000
Other Securities		97,037,000	96,138,000	+ 899,000
Loans, less reserve for possible loan losses				
1968—\$89,160,000    1967—\$73,168,000		4,278,670,000	3,696,692,000	+ 581,978,000
Bank Premises and Equipment, less depreciation				
1968—\$38,818,000    1967—\$35,820,000		54,223,000	51,164,000	+ 3,059,000
Customers' Liability on Acceptances		118,437,000	104,136,000	+ 14,301,000
Other Assets		179,012,000	125,474,000	+ 53,538,000
Total Assets		<u>\$7,976,524,000</u>	<u>\$7,176,191,000</u>	<u>+\$800,333,000</u>
<b>Liabilities and Stockholders' Equity</b>				
Deposits:				
Demand		\$4,184,133,000	\$3,899,465,000	+\$284,668,000
Time		2,928,180,000	2,407,979,000	+ 520,201,000
Total		<u>\$7,112,313,000</u>	<u>\$6,307,444,000</u>	<u>+\$804,869,000</u>
Borrowed Funds		104,096,000	109,087,000	— 4,991,000
Banks' Liability on Acceptances		119,141,000	110,681,000	+ 8,460,000
Reserve for Taxes and Accrued Expense		45,982,000	44,458,000	+ 1,524,000
Dividends Payable		7,004,000	6,272,000	+ 732,000
Other Liabilities		66,638,000	89,605,000	— 22,967,000
Debentures of Parent Corporation				
4½ % due 1981		4,343,000	4,655,000	— 312,000
Debentures of Affiliated Company				
5 % due 1986		17,306,000	20,000,000	— 2,694,000
Capital Notes of Affiliated Bank				
4½ % due 1988		80,000,000	84,000,000	— 4,000,000
Stockholders' Equity (see Parent Corporation, page 23 for detail)		419,701,000	399,989,000	+ 19,712,000
Total Liabilities and Stockholders' Equity		<u>\$7,976,524,000</u>	<u>\$7,176,191,000</u>	<u>+\$800,333,000</u>



Operating Revenue	Year Ended December 31	1968	1967	Change
Interest and Fees on Loans		\$235,674,000	\$193,095,000	+\$42,579,000
Interest and Dividends:				
U.S. Government Obligations	14,655,000	12,857,000		+ 1,798,000
State and Municipal Obligations	26,787,000	23,070,000		+ 3,717,000
Other Securities	1,602,000	1,982,000		— 380,000
Bond Trading Account	10,237,000	9,336,000		+ 901,000
Trust and Custodian Fees	33,915,000	30,697,000		+ 3,218,000
Deposit Account Service Charges	5,528,000	5,404,000		+ 124,000
Other Operating Revenue	13,473,000	9,100,000		+ 4,373,000
Total Operating Revenue		<u>\$341,871,000</u>	<u>\$285,541,000</u>	<u>+\$56,330,000</u>
<b>Operating Expense</b>				
Salaries	\$ 65,980,000	\$ 53,994,000		+\$11,986,000
Profit Sharing and Bonus	4,282,000	3,688,000		+ 594,000
Employee Benefits and Social Security	6,041,000	5,612,000		+ 429,000
Interest on Deposits	111,318,000	94,849,000		+ 16,469,000
Interest on Borrowed Funds	16,375,000	7,912,000		+ 8,463,000
Interest on Capital Notes	3,747,000	3,905,000		— 158,000
Net Occupancy Expense of Bank Premises	15,087,000	13,321,000		+ 1,766,000
Equipment Expense	6,357,000	5,123,000		+ 1,234,000
Other Operating Expense	25,324,000	21,033,000		+ 4,291,000
Total Operating Expense		<u>\$254,511,000</u>	<u>\$209,437,000</u>	<u>+\$45,074,000</u>
<b>Operating Earnings</b>				
Operating Earnings before Income Taxes	\$ 87,360,000	\$ 76,104,000		+\$11,256,000
Income Taxes on Operating Earnings	32,381,000	26,371,000		+ 6,010,000
		<u>\$ 54,979,000</u>	<u>\$ 49,733,000</u>	<u>+\$ 5,246,000</u>
<b>Net Operating Earnings</b>				
Non-Operating Additions:				
Net Profit on Investment Securities Sold after taxes				
1967—\$107,000	\$ —	\$ 262,000		—\$ 262,000
All Other after taxes				
1968—\$412,000 1967—\$253,000	310,000	418,000		— 108,000
Total Non-Operating Additions	<u>\$ 310,000</u>	<u>\$ 680,000</u>		<u>—\$ 370,000</u>
Non-Operating Deductions:				
Transfers to Reserve for Possible Loan Losses after taxes				
1968—\$8,722,000 1967—\$10,067,000	\$ 7,392,000	\$ 9,952,000		—\$ 2,560,000
Less Property Acquired at Foreclosure after taxes				
1967—\$745,000	—	1,799,000		+ 1,799,000
	<u>\$ 7,392,000</u>	<u>\$ 8,153,000</u>		<u>—\$ 761,000</u>
Net Loss on Investment Securities Sold after taxes				
1968—\$6,974,000	5,696,000	—		+ 5,696,000
All Other after taxes				
1968—\$37,000 1967—\$79,000	796,000	403,000		+ 393,000
Total Non-Operating Deductions	<u>\$ 13,884,000</u>	<u>\$ 8,556,000</u>		<u>+\$ 5,328,000</u>
Transferred to Stockholders' Equity	<u>\$ 41,405,000</u>	<u>\$ 41,857,000</u>		<u>—\$ 452,000</u>



Year Ended December 31, 1967	Common Stock	Capital Surplus	Additional Capital Represented by Equity in Net Assets of Affiliated Banks		Retained Earnings
			Surplus	Undivided Profits	
Balance January 1, 1967, Originally Reported 9,548,578 shares	\$95,486,000	\$ 1,000	\$203,233,000	\$ 75,744,000	\$2,190,000
Acquisitions:					
The North Creek National Bank 20,000 shares	200,000		200,000	169,000	
The State of New York National Bank 130,000 shares	1,300,000		1,699,000	428,000	
Northern Westchester National Bank 100,000 shares	1,000,000		520,000	315,000	
Balance January 1, 1967—Restated 9,798,578 shares	\$97,986,000	\$ 1,000	\$205,652,000	\$ 76,656,000	\$2,190,000
Net Income of Parent Corporation					25,721,000
Transferred to Undivided Profits By Affiliated Banks, Less Dividends Declared				16,136,000	
Cash Dividends Declared:					
By Parent Corporation					—24,858,000
By Affiliated Banks Prior to Acquisition				—264,000	
Subscriptions Under Stock Option Plan 2,886 shares	29,000	149,000			
Restoration of Bank Premises to Net Tax Cost Transfers			—2,246,000	591,000 2,246,000	
Balance December 31, 1967 9,801,464 shares	<u>\$98,015,000</u>	<u>\$ 150,000</u>	<u>\$203,406,000</u>	<u>\$ 95,365,000</u>	<u>\$3,053,000</u>
<b>Year Ended December 31, 1968</b>					
Balance January 1, 1968, Originally Reported 9,571,464 shares	\$95,715,000	\$ 150,000	\$201,187,000	\$ 94,359,000	\$3,053,000
Acquisitions:					
The State of New York National Bank 130,000 shares	1,300,000		1,699,000	632,000	
Northern Westchester National Bank 100,000 shares	1,000,000		520,000	374,000	
Balance January 1, 1968—Restated 9,801,464 shares	\$98,015,000	\$ 150,000	\$203,406,000	\$ 95,365,000	\$3,053,000
Net Income of Parent Corporation					26,894,000
Transferred to Undivided Profits by Affiliated Banks, Less Dividends Declared				14,511,000	
Cash Dividends Declared:					
By Parent Corporation					—25,950,000
By Affiliated Banks Prior to Acquisition				—54,000	
Subscriptions Under Stock Option Plan 18,930 shares	189,000	916,000			
Conversion of Affiliated Company Debentures 44,897 shares	449,000	2,245,000			
Restoration of Bank Premises to Net Tax Cost				115,000	
Conversion to Accrual Accounting				401,000	
Other Debits			—4,000		
Transfers			580,000	—580,000	
Balance December 31, 1968 9,865,291 shares	<u>\$98,653,000</u>	<u>\$3,311,000</u>	<u>\$203,982,000</u>	<u>\$109,758,000</u>	<u>\$3,997,000</u>

See notes to financial statements



Assets	December 31	1968	1967	Change
Cash and Due from Affiliated Bank	\$ 561,000	\$ 104,000		+\$ 457,000
Dividends Receivable from Affiliated Banks	7,332,000	6,537,000		+ 795,000
U.S. Government Obligations	—	850,000		— 850,000
Other Securities	5,044,000	300,000		+ 4,744,000
Investments in Affiliated Banks at Underlying Net Asset Values	418,110,000	403,137,000		+ 14,973,000
Other Assets	1,132,000	485,000		+ 647,000
Total Assets	<u>\$432,179,000</u>	<u>\$411,413,000</u>		<u>+\$20,766,000</u>
Liabilities				
Reserve for Taxes and Accrued Expense	\$ 214,000	\$ 19,000		+\$ 195,000
Dividends Payable	7,004,000	6,222,000		+ 782,000
Other Liabilities	134,000	57,000		+ 77,000
4½% Debentures Series A Due 1981	5,126,000	5,126,000		—
Total Liabilities	<u>\$ 12,478,000</u>	<u>\$ 11,424,000</u>		<u>+\$ 1,054,000</u>
Stockholders' Equity				
Series Preferred Stock (No Par Value)				
Authorized—1,000,000 shares				
Issued—None	—	—		—
Common Stock (Par Value \$10 per share)				
Authorized 12,000,000 shares				
Issued (after deducting 25,000 shares in Treasury)				
1968—9,865,291 shares				
1967—9,801,464 shares	\$ 98,653,000	\$ 98,015,000		+\$ 638,000
Capital Surplus	3,311,000	150,000		+ 3,161,000
Additional Capital Represented by Equity in Net Assets of Affiliated Banks:				
Surplus	203,982,000	203,406,000		+ 576,000
Undivided Profits	109,758,000	95,365,000		+ 14,393,000
Retained Earnings	3,997,000	3,053,000		+ 944,000
Total Stockholders' Equity	<u>\$419,701,000</u>	<u>\$399,989,000</u>		<u>+\$19,712,000</u>
Total Liabilities and Stockholders' Equity	<u>\$432,179,000</u>	<u>\$411,413,000</u>		<u>+\$20,766,000</u>



Income	Year Ended December 31	1968	1967	Change
Dividends from Affiliated Banks		\$27,097,000	\$26,030,000	+\$1,067,000
Interest and Dividends:				
U.S. Government Obligations		8,000	4,000	+ 4,000
Other Securities		137,000	41,000	+ 96,000
Other Revenue		3,000	—	+ 3,000
Total Income		<u>\$27,245,000</u>	<u>\$26,075,000</u>	<u>+\$1,170,000</u>
<b>Expense</b>				
Salaries		\$ 74,000	\$ 91,000	—\$ 17,000
Employee Benefits and Social Security		1,000	1,000	—
Interest on Debentures		231,000	231,000	—
Net Occupancy Expense		15,000	2,000	+ 13,000
Other Expense		292,000	301,000	— 9,000
Total Expense		<u>\$ 613,000</u>	<u>\$ 626,000</u>	<u>—\$ 13,000</u>
Income before Income Taxes		\$26,632,000	\$25,449,000	+\$1,183,000
Income Taxes—Credit		262,000	272,000	— 10,000
Net Income		<u>\$26,894,000</u>	<u>\$25,721,000</u>	<u>+\$1,173,000</u>

See notes to financial statements

## Bankers Trust New York Corporation and Affiliated Banks Notes to Financial Statements

### Note A—Principles of Consolidation

The consolidated financial statements include the accounts of Bankers Trust New York Corporation and all affiliated banks. During 1968, the parent Corporation issued 230,000 shares of its Common Stock in exchange for all of the outstanding capital stocks of two banks which were merged with two affiliated banks. The mergers were treated as poolings of interests and, accordingly, the financial statements for both years include the merged banks.

### Note B—Securities

Investment securities are included in the consolidated statement of condition at cost adjusted for amortization of premium and discount. Trading account securities of \$275 million are carried at market which is not significantly different from the lower of cost or market. The market value of investment securities at December 31, 1968 was approximately as follows (amounts in millions):

U.S. Government Obligations	\$ 355
State and Municipal Obligations	676
Other Securities	75
	<u>\$1,106</u>

### Note C—Reserve for Possible Loan Losses

An analysis of the changes in the consolidated reserve for possible loan losses follows:

	1968	1967
Balance January 1—originally reported	(in thousands) \$72,655	\$64,642
Acquisition of banks	513	506
Balance January 1—restated	\$73,168	\$65,148
Transfers to reserve for possible loan losses	16,133	20,020
Recoveries on loans previously charged off	7,706	1,002
	<u>\$97,007</u>	<u>\$86,170</u>
Loans charged off to reserve	7,847	13,002
Balance December 31	<u>\$89,160</u>	<u>\$73,168</u>

Included in loans charged off in 1967 was \$3,585,000 applicable to a real estate construction loan in default on which the property was subsequently acquired at foreclosure. This amount is also reflected in the 1967 transfer to reserve for possible loan losses. The property so acquired has been included in Other Assets at its estimated realizable value on date of foreclosure of \$2,544,000.

### Note D—Assets Pledged

At December 31, 1968 assets of \$397,579,000 included in the consolidated statement of condition were pledged to secure deposits and for other purposes.

### Note E—Bank Premises and Equipment

Bank premises and equipment are stated at cost less accumulated depreciation and amortization. Included in this account at December 31, 1968



were land and buildings owned of \$28.8 million, improvements on properties leased of \$17.3 million and furniture and equipment of \$8.1 million. Depreciation is primarily computed under the straight-line method for financial statement purposes while accelerated depreciation methods are being used for tax purposes. Provision has been made for the estimated income taxes deferred in this manner. Depreciation and amortization charged to consolidated income during the year amounted to \$4.4 million in 1968 and \$3.6 million in 1967.

**Note F—Reserve for Taxes and Accrued Expense**  
The reserve for taxes and accrued expense in the consolidated statement of condition includes \$7.0 million for deferred income taxes of which \$3.6 million was provided in 1968 and \$1.1 million in 1967.

**Note G—Debentures and Capital Notes**

The 4½% debentures of the parent Corporation due June 1, 1981 were issued under an indenture which limits the aggregate principal amount of this series to \$5,231,000. These debentures may be redeemed at the option of the Corporation on any date after May 31, 1971 at a premium of 2.77% to May 31, 1972, and declining thereafter to par after May 31, 1979. The indenture provides for additional series of debentures.

The 5% debentures of affiliated company due June 1, 1986 were issued by Bankers International (Luxembourg) S.A., a subsidiary of Bankers Trust Company, an affiliated bank, under an indenture which provides for semi-annual sinking fund payments commencing December 1, 1976 in amounts equal to 5% of the principal amount of debentures outstanding on September 1, 1976. The debentures may be redeemed at the option of Bankers International (Luxembourg) S.A. on or after June 1, 1976 in principal amounts of not less than \$1,000,000, plus a premium initially of 3% and declining thereafter, and at par after May 31, 1979. Payments of principal, interest and sinking fund requirements are guaranteed by Bankers Trust New York Corporation. The debentures are convertible into Common Stock of Bankers Trust New York Corporation at the conversion price of \$60 per share, which price is subject to possible adjustments as provided for in the indenture. As of December 31, 1968, debentures of \$2,694,000 had been converted and were held by the parent Corporation (included in Other Securities in its statement of condition). 288,436 shares of Common Stock of the Corporation were reserved for issuance upon additional conversions of these Debentures.

The 4½% capital notes of Bankers Trust Company, due December 15, 1988, were issued under an indenture which provides for a

mandatory sinking fund payment sufficient to retire \$4,000,000 in each year through 1987. With the approval of the New York Superintendent of Banks, the notes may be redeemed at the option of the bank in whole or in part at their principal amount plus a premium initially of 3.375%, and declining thereafter, and at par after December 14, 1983.

**Note H—Capital Stock**  
During 1967, 1,000,000 shares of series preferred stock were authorized which may be issued from time to time by the Board of Directors in one or more series. The designations, relative rights, preferences and limitations of each series of this stock are to be determined by the Board of Directors.

**Note I—Stock Options**  
As of December 31, 1968, options under the Stock Option Plan (a qualified stock option plan) for 61,847 shares of Common Stock of Bankers Trust New York Corporation were outstanding at prices from \$57.25 to \$67.75 a share (market prices at date of grant). Options under the plan are for a term of five years from the date of issue. Options for 18,930 shares were exercised, and options for 229 shares were cancelled during 1968. No new options will be granted under the plan.

**Note J—Contracts and Agreements**  
Subject to approval of the appropriate supervisory authorities, Bankers Trust New York Corporation proposes to issue approximately 286,000 shares of its Common Stock to acquire The Peoples National Bank of Long Island and Bank of Jamestown.

At December 31, 1968, annual rent for properties (principally office space) leased to the banks was \$12.2 million, including in some cases real estate taxes and other expenses. Rental payments under these leases shown by period of expiration dates of the leases are as follows (amounts in millions):

1969-1978	\$ 3.4
1979-1988	4.0
1989-1998	1.6
1999-2008	3.2
	<u>\$12.2</u>

Consolidated net occupancy expense of bank premises for 1968 includes credits for tenants' rentals of \$3.5 million, of which \$1.4 million was received under subleases of properties leased by the banks.

**Note K—Income Taxes**  
The parent Corporation collects from or refunds to the affiliates the amount of income taxes applicable to such affiliates as if they filed on a separate-return basis, and pays the tax liability determined to be due on a consolidated-return basis. The difference between the aggregate of

such amounts is recorded as a credit in the income statement of the Corporation.

**Note L—Pension Plans**  
The affiliated banks have pension plans covering substantially all of their employees. Contributions to the plans charged to income aggregated approximately \$1,634 thousand in 1968 and \$1,817 thousand in 1967. The banks' policy is to fund pension costs accrued. Past service costs have substantially been provided for and the plans are substantially fully funded if recognition is given to the market value of pension trust investments.

**Opinion of Independent Accountants**  
**Ernst & Ernst** 140 Broadway  
New York, N.Y. 10005

To the Board of Directors and Stockholders of Bankers Trust New York Corporation  
We have examined the statement of condition of Bankers Trust New York Corporation (Parent Corporation Only) and the consolidated statement of condition of Bankers Trust New York Corporation and affiliated banks as of December 31, 1968 and the related statements of income and summary of changes in stockholders' equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The amounts for the underlying net assets of the principal affiliated banks have been included in the financial statements of Bankers Trust New York Corporation, and the accounts of the principal affiliated banks have been included in the consolidated financial statements of Bankers Trust New York Corporation and affiliated banks, as reported upon by other independent accountants. Our opinion, insofar as it relates to the amounts so included, is based solely upon such reports.

In our opinion, the accompanying statements of condition and of income and summary of changes in stockholders' equity present fairly the financial position of Bankers Trust New York Corporation (Parent Corporation Only) and the consolidated financial position of Bankers Trust New York Corporation and affiliated banks at December 31, 1968, and the respective results of their operations and changes in stockholders' equity for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

New York, N. Y. *Ernst & Ernst*  
January 15, 1969



Financial Results (in thousands)	1968	1967	1966	1965	1964	1963
Operating Revenue	\$341,871	\$285,541	\$266,049	\$208,592	\$183,910	\$164,121
Operating Earnings Before Income Taxes	87,360	76,104	77,566	66,132	60,271	57,778
Income Taxes on Operating Earnings	32,381	26,371	30,487	24,242	23,938	25,306
Net Operating Earnings	54,979	49,733	47,079	41,890	36,333	32,472
<b>Per Share</b>						
Operating Earnings Before Taxes	\$ 8.90	\$ 7.77	\$ 7.91	\$ 6.74	\$ 6.16	\$ 5.96
Net Operating Earnings	5.60	5.08	4.80	4.27	3.71	3.35
Dividends Declared	2.65	2.56	2.45	2.34	1.97	1.93
Book Value End of Year	42.54	40.81	39.03	38.56	37.95	36.57
<b>Average Balances (in millions)</b>						
Total Assets	\$ 6,906	\$ 6,266	\$ 5,666	\$ 4,936	\$ 4,387	\$ 4,038
Loans (Net)	3,839	3,484	3,347	2,732	2,237	2,046
Securities	1,261	1,180	946	1,000	1,012	910
Demand Deposits	3,220	2,923	2,691	2,572	2,423	2,411
Time Deposits	1,818	1,798	1,689	1,327	1,041	862
Deposits in London Offices	787	564	397	222	161	135
Total Deposits	5,825	5,285	4,777	4,121	3,625	3,408
<b>End of Year</b>						
Staff	10,071	8,755	7,790	7,441	7,430	7,514
Banking Offices	121	115	107	104	97	90
Stockholders	27,219	28,024	28,518	28,545	28,435	27,712
Number of Shares Outstanding	9,865,291	9,801,464	9,798,578	9,823,553	9,793,807	9,780,495
Stockholders' Equity (in thousands)	\$419,701	\$399,989	\$382,485	\$378,830	\$371,642	\$357,695
Rate of Return on Stockholders' Equity	13.4%	12.7%	12.4%	11.2%	10.0%	9.2%
<b>Average Rates Earned and Paid (in percent) #</b>						
Loans (Excludes Federal Funds Sold)	6.33	5.82	5.70	5.16	5.15	5.14
All Securities (Fully Taxable Rate)	6.93	6.00	5.71	4.94	4.55	4.24
Total Loans and Securities (Fully Taxable Rate)	6.50	5.86	5.70	5.10	4.95	4.86
Interest Paid on Time Deposits	5.31	4.94	4.86	4.14	3.83	3.57

\*The figures above reflect the acquisition of The North Creek National Bank, North Creek on July 31, 1967; The State of New York National Bank, Kingston on February 29, 1968 and Northern Westchester National Bank on November 29, 1968.  
For periods prior to June 1, 1966, when the Corporation began its operations and periods prior

to the above acquisitions, data are shown under the pooling concept.

Dividends declared per share reflect dividends declared each year by the Corporation and/or its affiliated banks prior to affiliation, divided by the average number of shares of corporation stock which would have been outstanding during each

year assuming the Corporation began operations on January 1, 1963, with the stock issued and outstanding for all acquisitions to date.

#Rates are those of Bankers Trust Company. Rates for Bankers Trust New York Corporation are not available but, if available, they would not materially differ from those of Bankers Trust Company.



Financial Results (in thousands)	1968	1967	1966	1965	1964	1963
Operating Revenue	\$325,647	\$271,524	\$252,967	\$196,878	\$173,747	\$155,084
Operating Earnings Before Income Taxes	84,036	73,391	74,446	63,338	57,769	55,642
Income Taxes on Operating Earnings	31,965	25,977	29,577	23,302	23,065	24,568
Net Operating Earnings	52,071	47,414	44,869	40,036	34,704	31,074
<b>Average Balances (in millions)</b>						
Total Assets	\$ 6,602	\$ 5,989	\$ 5,412	\$ 4,697	\$ 4,172	\$ 3,843
Loans (Net):						
Commercial and Industrial	2,195	2,047	1,851	1,406	1,169	1,129
Non-Bank Financial	294	254	343	275	181	144
Real Estate	297	283	276	210	161	147
Brokers	374	296	260	246	169	166
All Other	531	466	485	477	452	370
Total Loans (Net)	3,691	3,346	3,215	2,614	2,132	1,956
Securities	1,148	1,082	858	915	932	833
Demand Deposits	3,076	2,791	2,564	2,456	2,315	2,312
Time Deposits	1,692	1,686	1,588	1,229	957	788
Deposits in London Offices	787	564	397	222	161	135
Total Deposits	5,555	5,041	4,549	3,907	3,433	3,235
<b>End of Year</b>						
Staff	9,426	8,193	7,240	6,922	6,924	6,998
Banking Offices	87	82	77	75	72	68

\*The figures above reflect the acquisition of Northern Westchester National Bank on November 29, 1968. For prior periods, data are shown under the pooling concept.



Assets	December 31	1968	1967*	Change
Cash and Due from Banks		\$1,877,262,000	\$1,781,773,000	+\$ 95,489,000
U.S. Government Obligations		450,704,000	445,866,000	+ 4,838,000
State and Municipal Obligations		768,103,000	733,457,000	+ 34,646,000
Other Securities		93,166,000	94,814,000	- 1,648,000
Loans, less reserve for possible loan losses				
1968—\$85,008,000 1967—\$69,197,000		4,120,677,000	3,556,698,000	+ 563,979,000
Bank Premises and Equipment, less depreciation				
1968—\$35,356,000 1967—\$32,717,000		49,677,000	46,746,000	+ 2,931,000
Customers' Liability on Acceptances		118,406,000	104,099,000	+ 14,307,000
Other Assets		174,985,000	122,621,000	+ 52,364,000
Total Assets		<u>\$7,652,980,000</u>	<u>\$6,886,074,000</u>	<u>+\$766,906,000</u>
<b>Liabilities</b>				
Deposits:				
Demand		\$4,028,808,000	\$3,758,412,000	+\$270,396,000
Time		2,798,905,000	2,290,783,000	+ 508,122,000
Total		\$6,827,713,000	\$6,049,195,000	+\$778,518,000
Borrowed Funds		102,496,000	109,087,000	- 6,591,000
Bank's Liability on Acceptances		119,110,000	110,644,000	+ 8,466,000
Reserve for Taxes and Accrued Expense		44,001,000	43,213,000	+ 788,000
Dividends Payable		7,100,000	6,412,000	+ 688,000
Other Liabilities		59,543,000	83,223,000	- 23,680,000
Debentures of Affiliated Company 5% due 1986		20,000,000	20,000,000	—
Total Liabilities		<u>\$7,179,963,000</u>	<u>\$6,421,774,000</u>	<u>+\$758,189,000</u>
<b>Capital</b>				
Capital Notes 4½% due 1988		\$ 80,000,000	\$ 84,000,000	-\$ 4,000,000
Stockholder's Equity:				
Capital Stock (Par Value \$10 per share)				
Authorized and Outstanding 9,088,594 shares		\$ 90,886,000	\$ 90,886,000	\$ —
Surplus		201,600,000	201,520,000	+ 80,000
Undivided Profits		100,531,000	87,894,000	+ 12,637,000
Total Stockholder's Equity		<u>\$ 393,017,000</u>	<u>\$ 380,300,000</u>	<u>+\$ 12,717,000</u>
Total Capital		<u>\$ 473,017,000</u>	<u>\$ 464,300,000</u>	<u>+\$ 8,717,000</u>
Total Liabilities and Capital		<u>\$7,652,980,000</u>	<u>\$6,886,074,000</u>	<u>+\$766,906,000</u>

\*Restated to reflect the merger of Northern  
Westchester National Bank on November 29, 1968

Member Federal Deposit Insurance Corporation



Assets	December 31	1968	1967	Change
Cash and Due from Banks		\$ 26,516,000	\$ 24,766,000	+\$ 1,750,000
U.S. Government Obligations		20,237,000	23,007,000	— 2,770,000
State and Municipal Obligations		57,224,000	51,479,000	+ 5,745,000
Other Securities		1,333,000	269,000	+ 1,064,000
Loans, less reserve for possible loan losses				
1968—\$3,206,000 1967—\$3,206,000		86,297,000	76,341,000	+ 9,956,000
Bank Premises and Equipment, less depreciation				
1968—\$1,804,000 1967—\$1,529,000		2,082,000	2,084,000	— 2,000
Customers' Liability on Acceptances		31,000	37,000	— 6,000
Other Assets		1,572,000	1,203,000	+ 369,000
Total Assets		<u>\$195,292,000</u>	<u>\$179,186,000</u>	<u>+\$16,106,000</u>
<b>Liabilities</b>				
Deposits:				
Demand		\$100,561,000	\$ 92,437,000	+\$ 8,124,000
Time		74,633,000	69,024,000	+ 5,609,000
Total		\$175,194,000	\$161,461,000	+\$13,733,000
Borrowed Funds		600,000	—	+ 600,000
Bank's Liability on Acceptances		31,000	37,000	— 6,000
Reserve for Taxes and Accrued Expense		848,000	851,000	— 3,000
Dividends Payable		150,000	150,000	—
Other Liabilities		4,827,000	4,124,000	+ 703,000
Total Liabilities		<u>\$181,650,000</u>	<u>\$166,623,000</u>	<u>+\$15,027,000</u>
<b>Capital</b>				
Capital Stock (Par Value \$10 per share)				
Authorized and Outstanding 302,630 shares		\$ 3,026,000	\$ 3,026,000	\$ —
Surplus		4,240,000	4,240,000	—
Undivided Profits		6,376,000	5,297,000	+ 1,079,000
Total Capital		<u>\$ 13,642,000</u>	<u>\$ 12,563,000</u>	<u>+\$ 1,079,000</u>
Total Liabilities and Capital		<u>\$195,292,000</u>	<u>\$179,186,000</u>	<u>+\$16,106,000</u>



Assets	December 31	1968	1967	Change
Cash and Due from Banks		\$ 5,780,000	\$ 3,703,000	+\$ 2,077,000
U.S. Government Obligations		10,039,000	8,891,000	+ 1,148,000
State and Municipal Obligations		7,718,000	7,298,000	+ 420,000
Other Securities		679,000	157,000	+ 522,000
Loans, less reserve for possible loan losses				
1968—\$329,000 1967—\$227,000		36,654,000	29,489,000	+ 7,165,000
Bank Premises and Equipment, less depreciation				
1968—\$763,000 1967—\$637,000		1,467,000	1,479,000	— 12,000
Other Assets		736,000	796,000	— 60,000
Total Assets		<u>\$63,073,000</u>	<u>\$51,813,000</u>	<u>+\$11,260,000</u>
<b>Liabilities</b>				
Deposits:				
Demand		\$24,820,000	\$19,158,000	+\$ 5,662,000
Time		32,053,000	27,011,000	+ 5,042,000
Total		\$56,873,000	\$46,169,000	+\$10,704,000
Borrowed Funds		—	—	—
Reserve for Taxes and Accrued Expense		232,000	140,000	+ 92,000
Other Liabilities		1,187,000	1,031,000	+ 156,000
Total Liabilities		<u>\$58,292,000</u>	<u>\$47,340,000</u>	<u>+\$10,952,000</u>
<b>Capital</b>				
Capital Stock (Par Value \$12.50 per share)				
Authorized and Outstanding 150,000 shares		\$ 1,875,000	\$ 1,875,000	\$ —
Surplus		1,725,000	1,725,000	—
Undivided Profits		1,181,000	873,000	+ 308,000
Total Capital		<u>\$ 4,781,000</u>	<u>\$ 4,473,000</u>	<u>+\$ 308,000</u>
Total Liabilities and Capital		<u>\$63,073,000</u>	<u>\$51,813,000</u>	<u>+\$11,260,000</u>



Assets	December 31	1968	1967*	Change
Cash and Due from Banks	\$ 7,341,000	\$ 6,156,000		+\$1,185,000
U.S. Government Obligations	6,617,000	6,939,000		— 322,000
State and Municipal Obligations	15,217,000	12,203,000		+ 3,014,000
Other Securities	178,000	158,000		+ 20,000
Loans, less reserve for possible loan losses				
1968—\$617,000 1967—\$538,000	35,042,000	35,164,000		— 122,000
Bank Premises and Equipment, less depreciation				
1968—\$895,000 1967—\$937,000	997,000	855,000		+ 142,000
Other Assets	604,000	371,000		+ 233,000
Total Assets	<u>\$65,996,000</u>	<u>\$61,846,000</u>		<u>+\$4,150,000</u>
<b>Liabilities</b>				
Deposits:				
Demand	\$33,718,000	\$32,513,000		+\$1,205,000
Time	22,989,000	21,161,000		+ 1,828,000
Total	\$56,707,000	\$53,674,000		+\$3,033,000
Borrowed Funds	1,000,000	1,000,000		—
Reserve for Taxes and Accrued Expense	704,000	237,000		+ 467,000
Dividends Payable	82,000	25,000		+ 57,000
Other Liabilities	833,000	1,109,000		— 276,000
Total Liabilities	<u>\$59,326,000</u>	<u>\$56,045,000</u>		<u>+\$3,281,000</u>
<b>Capital</b>				
Capital Stock (Par Value \$55 per share)				
Authorized and Outstanding 30,000 shares	\$ 1,650,000	\$ 1,600,000		+\$ 50,000
Surplus	3,350,000	2,900,000		+ 450,000
Undivided Profits	1,670,000	1,301,000		+ 369,000
Total Capital	<u>\$ 6,670,000</u>	<u>\$ 5,801,000</u>		<u>+\$ 869,000</u>
Total Liabilities and Capital	<u>\$65,996,000</u>	<u>\$61,846,000</u>		<u>+\$4,150,000</u>

\*Restated to reflect the merger of The State of New York National Bank into The Fallkill National Bank and Trust Company under the name of The State of New York National Bank



## Bankers Trust New York Corporation

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### Board of Directors

WILLIAM H. MOORE, Chairman of the Board

LEWIS A. LAPHAM, President

LEE S. BICKMORE, Chairman of the Board and Chief Executive Officer, National Biscuit Company

ALFRED BRITTAIN III, President, Bankers Trust Company

JOSEPH F. CULLMAN, 3rd, Chairman of the Board, Philip Morris Incorporated

RICHARD C. DOANE, Former Chairman of the Board, International Paper Company

WALLIS B. DUNCKEL, Former President, Bankers Trust New York Corporation

KEMPTON DUNN, Vice Chairman, Illinois Central Industries, Inc.

PAUL A. GORMAN, President, Western Electric Company, Inc.

PLATO MALOZEMOFF, President and Chairman of the Board, Newmont Mining Corporation

WAYNE C. MARKS, Sarasota, Florida

WALTER A. MARTING, President, The Hanna Mining Company

WILLIAM F. MAY, Chairman of the Board, American Can Company

HERMAN C. NOLEN, Director of various Corporations

PHILIP D. REED, Director of various Corporations

EDWARD S. ROONEY, Chairman, First Trust Company of Albany

FRANCIS C. ROONEY, JR., President, Melville Shoe Corporation

KENNETH RUSH, President, Union Carbide Corporation

ANDREW W. TARKINGTON, President, Continental Oil Company

WILLIAM T. TAYLOR, Chairman of the Executive Committee, ACF Industries, Incorporated

WALTER N. THAYER, President, Whitney Communications Corporation

E. CLINTON TOWL, Chairman of the Board, Grumman Aircraft Engineering Corporation

THOMAS J. WATSON, JR., Chairman of the Board, International Business Machines Corporation

### Administrative Officers

WILLIAM H. MOORE, Chairman of the Board

LEWIS A. LAPHAM, President

ROBERT H. BROME, Senior Vice President and Secretary

JOHN H. MILLIKIN, Senior Vice President

CHARLES G. GARRETT, Vice President

HARRY F. SCHROEDER, Vice President and Treasurer

### Executive Offices:

280 Park Avenue, New York, N.Y. 10017  
Telephone: 212/577-2345



## Bankers Trust Company

### Board of Directors

WILLIAM H. MOORE, Chairman of the Board

LEWIS A. LAPHAM, Vice Chairman of the Board

ALFRED BRITTAIN III, President

CHESTER BAYLIS, JR., Executive Vice President

LEE S. BICKMORE, Chairman of the Board and Chief Executive Officer, National Biscuit Company

JOSEPH F. CULLMAN, 3rd, Chairman of the Board, Philip Morris Incorporated

RICHARD C. DOANE, Former Chairman of the Board, International Paper Company

WALLIS B. DUNCKEL, Former President, Bankers Trust New York Corporation

KEMPTON DUNN, Vice Chairman, Illinois Central Industries, Inc.

PAUL A. GORMAN, President, Western Electric Company, Inc.

PLATO MALOZEMOFF, President and Chairman of the Board, Newmont Mining Corporation

WAYNE C. MARKS, Sarasota, Florida

WALTER A. MARTING, President, The Hanna Mining Company

WILLIAM F. MAY, Chairman of the Board, American Can Company

HERMAN C. NOLEN, Director of various Corporations

PHILIP D. REED, Director of various Corporations

FRANCIS C. ROONEY, JR., President, Melville Shoe Corporation

KENNETH RUSH, President, Union Carbide Corporation

ANDREW W. TARKINGTON, President, Continental Oil Company

WILLIAM T. TAYLOR, Chairman of the Executive Committee, ACF Industries, Incorporated

WALTER N. THAYER, President, Whitney Communications Corporation

E. CLINTON TOWL, Chairman of the Board, Grumman Aircraft Engineering Corporation

THOMAS J. WATSON, JR., Chairman of the Board, International Business Machines Corporation

### Administrative Officers

WILLIAM H. MOORE, Chairman of the Board

LEWIS A. LAPHAM, Vice Chairman of the Board

ALFRED BRITTAIN III, President

CHESTER BAYLIS, JR., Executive Vice President

RICHARD M. BLISS, Senior Vice President International Banking Department

ROBERT H. BROME, Senior Vice President, Legal

EDMUND F. EBERT, Senior Vice President, Resources Management and Loan Policy

C. WADSWORTH FARNUM, Senior Vice President, Fiduciary

FREDERICK D. FLAHERTY, Senior Vice President, Banking Operations Department

QUINTIN U. FORD, Senior Vice President, Investment Department

JOHN W. HANNON, JR., Senior Vice President, Banking Department

JOSEPH C. KENNEDY, Senior Vice President, Corporate Finance Department

FRED J. LEARY, JR., Senior Vice President, National Banking Department

JOSEPH R. McLEES, Senior Vice President, Metropolitan Banking Department

JOHN H. MILLIKIN, Senior Vice President, Administration

ROY L. REIERSON, Senior Vice President, Economics, and Chairman of the Advisory Committee

CHARLES C. SMITH, Senior Vice President, Market Development

MALCOLM A. STEVENSON, Senior Vice President, Trust Department

### Executive Offices

Wall Street: 16 Wall Street, New York, N.Y.

Park Avenue: 280 Park Avenue, New York, N.Y.

Mailing address: Post Office Box 318,

Church Street Station, New York, N.Y. 10015

Telephone 212/577-2345

### Domestic Bankers Trust Company Banking Offices

#### Manhattan

Wall Street Office  
16 Wall Street, New York, N. Y. 10015

Whitehall Street Office  
1 Whitehall Street, New York, N. Y. 10004

176 Broadway Office  
176 Broadway, New York, N. Y. 10038

John Street Office  
99 John Street, New York, N. Y. 10038

Foley Square Office  
2 Lafayette Street, New York, N. Y. 10007

East Broadway Office  
177 East Broadway, New York, N. Y. 10002

Delancey Street Office  
85 Delancey Street, New York, N. Y. 10002

Varick Street Office  
207 Varick Street, New York, N. Y. 10014

682 Broadway Office  
682 Broadway, New York, N. Y. 10012

Eighth Avenue Office  
80 Eighth Avenue, New York, N. Y. 10011

23rd Street Office  
301 Third Avenue, New York, N. Y. 10010

1107 Broadway Office  
1107 Broadway, New York, N. Y. 10010

Empire State Office  
350 Fifth Avenue, New York, N. Y. 10001

Seventh Avenue Office  
550 Seventh Avenue, New York, N. Y. 10018

East 39th Street Office  
605 Third Avenue, New York, N. Y. 10016

Fifth Avenue Office  
529 Fifth Avenue, New York, N. Y. 10017

Third Avenue Office  
750 Third Avenue, New York, N. Y. 10017

West 46th Street Office  
1180 Avenue of the Americas, New York, N. Y. 10036

Madison Avenue Office  
415 Madison Avenue, New York, N. Y. 10017

280 Park Avenue Office  
280 Park Avenue, New York, N. Y. 10017

Rockefeller Center Office  
51 Rockefeller Plaza, New York, N. Y. 10020

52nd Street Office  
845 Third Avenue, New York, N. Y. 10022

55th Street Office  
1345 Avenue of the Americas, New York, N. Y. 10019

57th Street Office  
455 Park Avenue, New York, N. Y. 10022

Lincoln Square Office  
1960 Broadway, New York, N. Y. 10023

67th Street Office  
1148 Third Avenue, New York, N. Y. 10021

78th Street Office  
1002 Madison Avenue, New York, N. Y. 10021

86th Street Office  
1660 Second Avenue, New York, N. Y. 10028

94th Street Office  
2520 Broadway, New York, N. Y. 10025

116th Street Office  
1770 Madison Avenue, New York, N. Y. 10035

**Bronx**

Mott Haven Office  
256 Willis Avenue, New York, N. Y. 10454

149th Street Office  
370 East 149th Street, New York, N. Y. 10455

Prospect Avenue Office  
845 East 149th Street, New York, N. Y. 10455

161st Street Office  
76 East 161st Street, New York, N. Y. 10451

Hunts Point Office  
982 Southern Boulevard, New York, N. Y. 10459

Bruckner Plaza Office  
880 White Plains Road, New York, N. Y. 10473

169th Street Office  
273 East 169th Street, New York, N. Y. 10456

Claremont Parkway Office  
3855 Third Avenue, New York, N. Y. 10457

Burnside Avenue Office  
26 West Burnside Avenue, New York, N. Y. 10453

180th Street Office  
2104 Crotona Parkway, New York, N. Y. 10460

Perry Avenue Office  
299 East 204th Street, New York, N. Y. 10467

Riverdale Office  
3508 Johnson Avenue, New York, N. Y. 10463

Woodlawn Heights Office  
4361 Katonah Avenue, New York, N. Y. 10470

**Brooklyn**

Montague Street Office  
205 Montague Street, Brooklyn, N. Y. 11201

Grand Street Office  
317 Grand Street, Brooklyn, N. Y. 11211

Graham Avenue Office  
47 Graham Avenue, Brooklyn, N. Y. 11206

De Kalb Avenue Office  
896 De Kalb Avenue, Brooklyn, N. Y. 11221

Pitkin Avenue Office  
1756 Pitkin Avenue, Brooklyn, N. Y. 11212

Sutter Avenue Office  
574 Sutter Avenue, Brooklyn, N. Y. 11207

Bay Ridge Office  
8724 Fourth Avenue, Brooklyn, N. Y. 11209

Borough Park Office  
4410 13th Avenue, Brooklyn, N. Y. 11219

Bensonhurst Office  
8603 21st Avenue, Brooklyn, N. Y. 11214

Kings Highway Office  
1321 Kings Highway, Brooklyn, N. Y. 11229

Kings Bay Office  
3851 Nostrand Avenue, Brooklyn, N. Y. 11235

Flatbush Avenue Office  
1545 Flatbush Avenue, Brooklyn, N. Y. 11210

**Queens**

Long Island City Office  
29-37 41st Avenue  
Bridge Plaza North, Long Island City, N. Y. 11101

Maspeth Office  
49-01 Grand Avenue, Maspeth, N. Y. 11378

Jackson Heights Office  
77-01 31st Avenue, Jackson Heights, N. Y. 11370

Rego Park Office  
97-03 Queens Boulevard, Rego Park, N. Y. 11374

College Point Office  
132-10 14th Avenue, College Point, N. Y. 11356

Flushing Office  
36-63 Main Street, Flushing, N. Y. 11354

Van Wyck Office  
138-02 Queens Boulevard, Jamaica, N. Y. 11435

Jamaica Office  
92-11 Union Hall Street, Jamaica, N. Y. 11433

Turnpike Office  
186-03 Union Turnpike, Flushing, N. Y. 11366

Bayside Office  
41-22 Bell Boulevard, Bayside, N. Y. 11361

Oakland Office  
221-50 Horace Harding Boulevard, Bayside, N. Y. 11364

Rockaway Park Office  
104-08 Rockaway Beach Boulevard,  
Rockaway Park, N. Y. 11694

**Nassau County**

Great Neck Office  
55 Northern Blvd., Great Neck, N. Y. 11021

North New Hyde Park Office  
1636 Marcus Avenue,  
North New Hyde Park, N. Y. 11042

Woodmere Office  
1000 Railroad Avenue, Woodmere, N. Y. 11598

Rockville Centre Office  
301 Sunrise Highway, Rockville Centre, N. Y. 11570

Jericho Office  
333 North Broadway, Jericho, N. Y. 11753

Farmingdale Office  
170 Conklin Street, Farmingdale, N. Y. 11735

Plainview Office  
164 Manetto Hill Road, Plainview, N. Y. 11803

East Rockaway Office  
580 Atlantic Avenue, East Rockaway, N. Y. 11518

**Richmond County**

Castleton Corners Office  
1785 Victory Boulevard, Staten Island, N. Y. 10314

New Dorp Office  
2630 Hylan Boulevard, Staten Island, N. Y. 10306

Great Kills Office  
3996 Amboy Road, Staten Island, N. Y. 10308

**Westchester County**

Chappaqua Office  
91 South Greeley Avenue,  
Chappaqua, N. Y. 10514

North Castle Office  
Main Street, Armonk, N. Y. 10504

Pound Ridge Office  
Scott's Corners, Pound Ridge, N. Y. 10576

Goldens Bridge Office  
Route 22, Goldens Bridge, N. Y. 10526

Mount Kisco Office  
South Bedford Road, Mount Kisco, N. Y. 10549

Katonah Office  
256 Katonah Avenue, Katonah, N. Y. 10536

Vista Office  
Route 123, Smith Ridge Road, Vista, N. Y. 10590

Springvale Office  
Springvale Road, Croton-on-Hudson, N. Y. 10520

**International**

**LONDON** (Branch)  
9 Queen Victoria Street, London, E.C.4., England  
34 Grosvenor Square, London, W.1., England

**PARIS** (Branch)  
16 Place Vendôme, Paris 1, France

**FRANKFURT** (Representative Office)  
Goetheplatz 1-3, 6 Frankfurt am Main, Germany

**ROME** (Representative—BT Italia S.p.A.)  
Via Bissolati, 76, Rome, Italy

**ZURICH** (Representative Office)  
Beethovenstrasse 20, 8002 Zurich, Switzerland

**CARACAS** (Representative Office)  
Edificio Banco Hipotecario de Credito Urbano  
Avenida Universidad, Esquina de Traposos  
Caracas, Venezuela (Apartado de Correos 3942)

**BEIRUT** (Representative Office)  
Shaker Oueini Building, Place Riad Solh, Beirut,  
Lebanon (P.O. Box 6239)

**MEXICO CITY** (Representative Office)  
Torre Latinoamericana 1702, San Juan de Letran 2,  
Mexico 1, D.F., Mexico

**SAO PAULO** (Representative Office)  
Rua Direita 250-13º Andar, Sao Paulo, S.P., Brazil



**MANILA** (Representative Office)  
J. M. Tuason Building, 6764 Ayala Avenue, Makati,  
Rizal, Philippines (P.O. Box 341, Commercial Center)

**SYDNEY** (Representative—BT Australia Pty. Ltd.)  
Australia Square,  
Sydney, N.S.W., 2000, Australia

**TOKYO** (Representative Office)  
New Tokyo Building, Suite 420, 2-3-Chome, Marunouchi,  
Chiyoda-Ku, Tokyo, Japan (C.P.O. Box 1568, Tokyo)

#### **Affiliated Financial Institutions**

**BELGIUM**  
Banque du Benelux, 9 Grote Markt, Antwerp 1

**ENGLAND**  
Rodo International, Ltd., 56-60 New Broad Street,  
London, E.C.2., England

**FRANCE**  
Banque de Suez et de l'Union des Mines  
44, Rue de Courcelles, 75—Paris VIII

**GERMANY**  
Deutsche Unionbank, Goetheplatz 1-3,  
6 Frankfurt am Main 1, Germany

**LUXEMBOURG**  
Bankers International (Luxembourg),  
Société Anonyme de Participations Financières,  
22 Côte d'Eich, Luxembourg

**SWITZERLAND**  
Compagnie Internationale de Crédit à Moyen Terme,  
S.A.14 bis, Place Saint Francois, Lausanne, Switzerland

**ARGENTINA**  
Bullrich S.A. de Inversiones, 750 Avenida  
Libertador, Buenos Aires, Argentina

**COLOMBIA**  
Corporacion Financiera Nacional, Calle 50, 51-75,  
Medellin (Apartado Aereo 1039)

**PHILIPPINES**  
Bancom Development Corporation, CBTC Building,  
Ayala Avenue, Makati, Rizal, Philippines  
(P.O. Box 324, Commercial Center)

**REPUBLIC OF CHINA**  
China Securities Investment Corp.,  
59 Kuan Chien Road, Taipei, Taiwan

**CAMEROON**  
Société Générale de Banques au Cameroun,  
Rue Monseigneur Vogt, Yaoundé (B.P. 244)

**REPUBLIC OF THE CONGO**  
Société Générale de Banques au Congo,  
Place de la Poste, Brazzaville (B.P. 122)

**IVORY COAST**  
Société Générale de Banques en Côte d'Ivoire,  
5, Avenue Barthe, Abidjan (B.P. 1355)

**LIBERIA**  
The Liberian Trading and Development Bank Ltd.—  
Tradeco, Ashmun Street, Monrovia (P.O. Box 293)

**NIGERIA**  
United Bank for Africa, Limited, 47 Marina, Lagos  
(P.O. Box 2406)

**SENEGAL**  
Société Générale de Banques au Sénégal,  
19, Avenue Roume, Dakar (B.P. 323)

**TUNISIA**  
Banque de Tunisie, 3, Avenue de France, Tunis

### **First Trust Company of Albany**

#### **Board of Directors**

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EDGAR A. SANDMAN, President

SIGURD J. ANDERSON, East Schodack, New York

SYLVESTER F. BATTAGLIA, President,  
Caruso, Rinella, Battaglia Company, Inc.

JOHN A. BECKER, Castleton-on-Hudson, New York

ROBERT H. BROME, Senior Vice President,  
Bankers Trust New York Corporation

CHARLES BUCHMAN, President,  
Albany Enterprises, Inc.

THOMAS H. BUTTS, President,  
Ready-Mix and Supply Corporation

JOHN F. CAMPBELL, Loudonville, New York

EUGENE P. DEVINE, Attorney,  
Cooper, Erving and Savage

JOHN E. McELROY, Menands, New York

HENRY QUELLMALZ, President,  
Boyd Printing Company, Inc.

LEON F. SWEARS, President, Leon F. Swears, Inc.

ARTHUR J. WALLINGFORD, M.D., Physician

LOUIS MAYERSON (Honorary Director),  
President, Louis Mayersohn, Inc.

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EDGAR A. SANDMAN, President

GEORGE E. HANNER, Senior Vice President

RICHARD F. LINDSTROM, Senior Vice President

T. FRANCIS CONNERY, Vice President and  
Trust Officer

DAVID W. O'CONNOR, Vice President and  
Secretary

ARTHUR T. FOLEY, Vice President

ROBERT D. LEYDEN, Vice President

WILLIAM P. LUETH, Vice President

JOHN A. SMITH, Vice President

#### **Banking Offices**

Main Office

State Street and Broadway, Albany, New York 12201

Capitol Hill Office

State and Eagle Streets, Albany, New York 12207

Delaware Avenue Office

405 Delaware Avenue, Albany, New York 12209

South End Office

135 South Pearl Street, Albany, New York 12202

Washington Avenue Office

252 Washington Avenue, Albany, New York 12210

West End Office

581 Central Avenue, Albany, New York 12206

Western Avenue Office

1215 Western Avenue, Albany, New York 12203

Colonie Office

1230 Central Avenue, Albany, New York 12205

Elsmere Office

Delaware & Elsmere Avenues, Elsmere, New York 12054

Johnstown Office

106 West Main Street, Johnstown, New York 12095

Broadalbin Office

9 North Main Street, Broadalbin, New York 12025

Windham Office

Windham, New York 12496

Hunter-Tannersville Office

Tannersville, New York 12485

North Creek Office

North Creek, New York 12853

Newcomb Office

Newcomb, New York 12852

Indian Lake Office

Indian Lake, New York 12842



## The First State Bank of Rockland County

### Board of Directors

CHARLES W. HAWKINS, Chairman of the Board  
JAY D. NORTHRUP, President  
DANIEL T. BRUCKER, Attorney  
HERBERT A. BURNS, Saddle River, New Jersey  
ANTHONY A. CUCOLO, Suffern, New York  
CLARENCE E. ERICKSON, Spring Valley, New York  
JOHN W. HANNON, JR., Senior Vice President,  
Bankers Trust Company  
CHARLES H. HOOLE, Stony Point, New York  
CHARLES L. HULSWIT, West Nyack, New York  
IRVING G. KENNEDY, Attorney  
A. KENNETH MORGAN, General Manager,  
Palisades Interstate Park Commission  
ALBERT W. MUNSON, D.D.S., Dentist  
NATHAN A. ROBINS, Suffern, New York  
HAROLD T. SHERWOOD, Attorney

ROBERT L. YEAGER, M.D., Director,  
Summit Park Sanitorium

### Officers

CHARLES W. HAWKINS, Chairman of the Board  
JAY D. NORTHRUP, President  
LOUIS T. BOECHER, Executive Vice President  
CLIFFORD F. SUMMERS, JR., Vice President  
and Auditor  
HAROLD E. McLEOD, Vice President  
ALBERT W. MUNSON, Vice President

### Banking Offices

Spring Valley Office  
65 North Main Street, Spring Valley,  
New York 10977  
Pearl River Office  
Middletown Road, Pearl River, New York 10965  
Sparkill Office  
Main Street, Sparkill, New York 10976

Hillcrest Office  
Hillcrest Shopping Mall, Spring Valley,  
New York 10977

Suffern Office  
#59 Route 59, Suffern, New York 10901

Stony Point Office  
Route 9W at Central Drive, Stony Point,  
New York 10980

South New City Office  
316 South Main Street, New City, New York 10956

Tappan Office  
80 Old Tappan Road, Tappan, New York 10983

West Haverstraw Office  
45 Samsondale Plaza, West Haverstraw,  
New York 10993

North New City Office  
1 Cavalry Drive, New City, New York 10956

West Nyack Office  
247 Route 59, West Nyack, New York 10994

## The State of New York National Bank

### Board of Directors

JOHN W. KELLY, President  
ERIK ALDEBORGH, Chairman of the Board,  
Standard Gage Company, Inc.  
CLAUDE M. CONGER, Chairman of the Board,  
Wire-O Corporation  
VINCENT G. CONNELLY, Attorney  
EDWARD P. DEMAREST, Proprietor,  
Edward P. Demarest Fuel and Heating Services  
ROSCOE V. ELSWORTH, Justice of the Supreme  
Court, State of New York  
CHARLES G. GARRETT, Vice President,  
Bankers Trust New York Corporation  
EDWARD K. HAAS, Attorney  
ROBERT H. HERZOG, President,  
Herzog Supply Co., Inc.  
EDWARD J. MACK, Attorney  
GEORGE C. MARCUS, Chairman and Treasurer,  
Poughkeepsie Iron & Metal Company, Inc.  
DOUW S. MEYERS, Physician

AMOS R. NEWCOMBE, Vice President,  
Austin R. Newcombe & Co., Inc.

A. ALLENDORPH SCHOONMAKER, II,  
Funeral Director

ANDREW J. SNYDER, President,  
Century Cement Manufacturing Co., Inc.

EVERETT E. SPOOR, President, Spoor-Lasher, Inc.

LOUIS VOERMAN, Plant General Manager,  
Poughkeepsie Systems Manufacturing Division,  
I.B.M. Corporation

HAROLD L. WOOD, Former President,  
Huguenot National Bank

### Officers

JOHN W. KELLY, President  
JOHN C. CORLISS, Vice President  
HOWARD A. DeWITT, Vice President and  
Trust Officer  
FRANCIS H. KOLTS, Vice President  
ROBERT S. LEONETTI, Vice President

KENNETH B. MESLER, Vice President  
HOWARD STEPHENS, Cashier

### Banking Offices

Ulster County Headquarters Office  
301 Wall Street, Kingston, New York 12401

Dutchess County Headquarters Office  
17 Market Street, Poughkeepsie, New York 12601

Kingston Plaza Office  
Kingston Shopping Plaza, Kingston, New York 12401

Midtown Office  
80 Smith Avenue, Kingston, New York 12401

Town of Ulster Office  
Albany Avenue Extension, Town of Ulster,  
New York 12401

New Paltz Office  
Huguenot Square, New Paltz, New York 12561

Main-Innis Office  
709 Main Street, Poughkeepsie, New York 12601

Hyde Park Office  
360 Violet Avenue, Poughkeepsie, New York 12601

**Bankers Trust New York Corporation**









